

HOUSE No. 4292

The Commonwealth of Massachusetts

PRESENTED BY:

Thomas P. Conroy

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to Help Towns Finance School Buildings.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Thomas P. Conroy	13th Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

An Act to Help Towns Finance School Buildings.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 7 of chapter 44 of the General Laws, as appearing in the 2008 Official edition is hereby amended by inserting after the word "specified", in line 3, the following words: - or, except with respect to clauses (II), (16), (18), (21) and (22), within such longer period not to exceed 30 years based upon the maximum useful life of the public work, improvement or asset being financed, as determined in accordance with guidelines established by the division of local services of the department of revenue.

SECTION 2. Said section 7 of said chapter 44, as appearing, is hereby further amended by striking out in lines 50 to 53 the words "or for such maximum term, not exceeding 15 years, based upon the maximum useful life of the equipment as determined by the board of selectmen or the mayor or city manager of the city or town".

SECTION 3. Said section 7 of said chapter 44, as appearing, is hereby further amended by inserting after clause (31) the following clause:-
(32) For any other public work, improvement or asset not specified in any of the above clauses, with a maximum useful life of at least 5 years, determined as provided in the first sentence of this section, 5 years.

SECTION 4. Section 8 of said chapter 44, as appearing, is hereby amended by inserting after the word "specified", in line 3, the following words: - or except with respect to clauses (I), (2), (3A), (5), (6), (7), (9) and (19), within such longer period not to exceed 30 years based upon the maximum useful life of the public work, improvement or asset being financed as determined in accordance with guidelines established by

the division of local services of the department of revenue.

SECTION 5. Said section 8 of said chapter 44, as appearing, is hereby further amended by striking out, in lines 77 and 78, the words "a board composed of the attorney general, the state treasurer and the director" and inserting in place thereof the following words: - the municipal finance oversight board.

SECTION 6. Said section 8 of said chapter 44, as appearing, is hereby further amended by inserting after the word "vote", in line 190, the following words: - , provided, however, that debt under clause (9) of this section may be authorized by the treasurer of a city, with the approval of the official whose approval is required by the city charter in the borrowing of money, the treasurer of a town with a town council form of government, with the approval of the official whose approval is required by the town charter in the borrowing of money, the treasurer of a town without a town council form of government, with the approval of the board of selectmen, and the treasurer of a district, with the approval of the prudential committee, if any, otherwise of the commissioners.

SECTION 7. Said chapter 44 is hereby further amended by striking out section 19, as so appearing, and inserting in place thereof the following section:-
Section 19. Cities, towns and districts shall not issue any notes payable on demand, and they shall provide for the payment of all debts, except temporary loans incurred under sections 4, 6, 6A, 8C, and 17, or under section 3 of chapter 74 of the acts of 1945, by annual payments that will extinguish the same at maturity, and so that the first of these annual payments on account of any serial loan shall be made not later than the end of the next complete fiscal year commencing after the date of the bonds or notes issued for the serial loan, and shall be arranged so that for each issue the amounts payable in the several years for principal and interest combined shall be as nearly equal as practicable in the opinion of the officers authorized to issue the bonds or notes, or in the alternative, in accordance with a schedule providing a more rapid amortization of principal; and these annual amounts, together with the interest on all debts, shall, without further vote, be assessed until the debt is extinguished.

SECTION 8. Section 21A of said chapter 44, as so appearing, is hereby amended by inserting after the word "law", in line 10, the following words: - , and provided further that no order or vote authorizing the issuance of refunding bonds or notes shall be subject to any referendum provisions contained in any general or special law, any city or town charter, any city ordinance or town by-law, or other provision.

SECTION 9. Section 22 of said chapter 44, as so appearing, is hereby amended by adding the following sentence: - Notwithstanding the above, the selectmen may delegate to the town treasurer the approval of the

50 rate or rates of interest with any limitations that the selectmen determine to be in the best interests of the town.

51 **SECTION 10.** Section 22A of said chapter 44, as so appearing, is hereby amended by striking out the first
52 sentence and inserting in place thereof the following sentence: - Bonds or notes issued by a city may be
53 secured in whole or in part by insurance or by letters or lines of credit or other credit facilities, provided that
54 the city treasurer and mayor or city manager, as applicable, determine that issuing bonds or notes on this basis
55 is in the best interests of the city.

56 **SECTION 11.** Section 22B of said chapter 44 is hereby repealed.
57
58